

## **ASX Announcement**

24 August 2022

### **Centrepoint Alliance delivers strong growth throughout FY22**

Centrepoint Alliance Limited (ASX: CAF) ("Centrepoint Alliance" or "the Company"), a leading provider of advice and business services to financial advice firms throughout Australia, is pleased to provide the Company's Annual Financial Report and Appendix 4E for the year ended 30 June 2022.

#### **FY22 Financial Highlights**

- Reported net profit after tax (NPAT) of \$6.5 million, a year-on-year (YoY) increase of more than 100%, driven by gross profit growth across the Company's business units and successful integration of the ClearView Advice acquisition, alongside a continued focus on cost management. A tax benefit of \$3.9 million was recognised as a result of recognising a deferred tax asset on future utilisation of prior year Group tax losses
- Gross profit from customer contracts increased by \$3.2 million, or 12.0%, with an increase in authorised representative fee revenue generated from the ClearView Advice acquisition partially offset by cessation of platform rebates and reduced investment margin revenue
- Expenses (before one-off transaction costs and long-term incentive employment costs) decreased year on year by \$0.3 million; the Company achieved scalability and efficiency with an increase in full time equivalent headcount from 99.3 pre-acquisition to 104.1 post-acquisition at end of FY22
- Profit before tax of \$2.57 million increased YoY by 66.3%
- The Board on 8 August 2022 declared a fully franked ordinary final dividend of 1.0 cent per share (payment date 29 September 2022), taking the Company's total fully franked FY22 ordinary dividends paid to 1.5 cents per share
- Continued strong cash performance generating \$6.4 million in net cash from operations in FY22, driving a closing cash balance of \$14.7 million and providing balance sheet support for the execution of the Company's growth strategy

#### **FY22 Operational Highlights**

- The Company reinforced its status as a destination of choice for advisers during the year, with 517 licensed advisers as at 30 June 2022, 175 of whom were acquired through the ClearView Advice acquisition with additional net growth of 27 advisers.
- Extending services to self-licensed firms was at the core of the Group's FY22 growth strategy, expanding during the year to 192 self-licensed practices representing approximately 788 self-licensed advisers
- The ClearView Advice business has been integrated swiftly and smoothly, with the synergies from the transaction driving down the Company's cost-to-income ratio (excluding one-off costs, long-term incentives and depreciation) from 88% in FY21 to 77% in FY22
- Investment in technology continued to enhance the scalable service platform for advisers, with increased resources expanding the depth of services provided through Enzumo
- Centrepoint Lending Solutions delivered strong growth and presents a significant opportunity as interest rates rise and homeowners look to refinance, with settlements growing by 36% in

#### **CENTREPOINT ALLIANCE LIMITED**

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FY22 to \$900 million and the loan book expanding to \$3.2 billion

## **FY23 Outlook**

- Centrepont remains very positive about the business outlook with strong second half performance and July 2022 on track to plan.
- There is a strong pipeline of acquisition opportunities and discussions are ongoing.
- The business is well advanced implementing a range of strategic initiatives that will drive organic growth. These include the continued expansion of Centrepont Lending, with the launch of Lending as a Service as well as the development of Managed Accounts.

The release of this announcement has been authorised by the Board of Directors.

### **For further information, please contact:**

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### **About Centrepont Alliance**

Centrepont Alliance (ASX: CAF) is a leading provider of advice and business services to financial advice firms throughout Australia. It offers a complete suite of governance, business management, client growth and advice services that enable advisers to spend more time providing advice to their clients.

Centrepont Alliance is proactively leading the evolution of financial advice business models in Australia. It has introduced a clear fee-based pricing model that will support the provision of more transparent and better financial advice for Australia, increasingly through the use of digital and data technology enabled solutions.

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